

立法會
Legislative Council

LC Paper No. FC220/18-19
(These minutes have been
seen by the Administration)

Ref : FC/1/1(9)

Finance Committee of the Legislative Council

Minutes of the 9th meeting
held at Conference Room 1 of the Legislative Council Complex
on Friday, 14 December 2018, at 2:56 pm

Members present:

Hon CHAN Kin-por, GBS, JP (Chairman)
Hon CHAN Chun-ying, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon Abraham SHEK Lai-him, GBS, JP
Hon Tommy CHEUNG Yu-yan, GBS, JP
Prof Hon Joseph LEE Kok-long, SBS, JP
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon CHAN Hak-kan, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon WU Chi-wai, MH
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP
Hon LEUNG Che-cheung, SBS, MH, JP

Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung, JP
Hon Christopher CHEUNG Wah-fung, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Dr Hon Helena WONG Pik-wan
Hon IP Kin-yuen
Dr Hon Elizabeth QUAT, BBS, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Hon POON Siu-ping, BBS, MH
Dr Hon CHIANG Lai-wan, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Hon HO Kai-ming
Hon LAM Cheuk-ting
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai
Hon SHIU Ka-chun
Hon Wilson OR Chong-shing, MH
Hon YUNG Hoi-yan
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon CHEUNG Kwok-kwan, JP
Hon HUI Chi-fung
Hon LUK Chung-hung, JP
Hon LAU Kwok-fan, MH
Hon Kenneth LAU Ip-keung, BBS, MH, JP
Dr Hon CHENG Chung-tai
Hon KWONG Chun-yu
Hon Jeremy TAM Man-ho
Hon Gary FAN Kwok-wai
Hon AU Nok-hin
Hon Vincent CHENG Wing-shun, MH
Hon Tony TSE Wai-chuen, BBS
Hon CHAN Hoi-yan

Members absent:

Hon Jeffrey LAM Kin-fung, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Dennis KWOK Wing-hang
Dr Hon Junius HO Kwan-yiu, JP

Public officers attending:

Ms Alice LAU Yim, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Carol YUEN, JP	Deputy Secretary for Financial Services and the Treasury (Treasury) 1
Mr Mike CHENG Wai-man	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Jack CHAN Jick-chi, JP	Under Secretary for Home Affairs
Ms Sandy CHEUNG Pui-shan	Principal Assistant Secretary for Home Affairs (Culture) ²
Mr CHAN Shing-wai	Assistant Director of Leisure and Cultural Services (Heritage and Museums)
Ms Kitty CHOI Kit-yu, JP	Director of Administration
Ms Jennifer CHAN Sau-fong, JP	Deputy Director of Administration
Mr Caspar TSUI Ying-wai, JP	Under Secretary for Labour and Welfare
Miss Cecilla LI, JP	Deputy Director of Social Welfare (Administration)
Mr Andrew KWAN Kai-ming	Senior Statistician (Social Welfare), Social Welfare Department

Clerk in attendance:

Ms Anita SIT	Assistant Secretary General 1
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Staff in attendance:

Ms Angel SHEK	Chief Council Secretary(1)1
Ms Ada LAU	Senior Council Secretary (1)7

Miss Queenie LAM
Mr Frankie WOO
Miss Yannes HO

Senior Legislative Assistant (1)2
Senior Legislative Assistant (1)3
Legislative Assistant (1)7

Action

The Chairman reminded members of the requirements under Rules 83A and 84 of the Rules of Procedures.

Item 1 — FCR(2018-19)64

**HEAD 95 — LEISURE AND CULTURAL SERVICES
DEPARTMENT**

**Subhead 677 — Acquiring and commissioning artworks by local
artists**

**Item 827 — Acquiring and commissioning artworks by local
artists**

Subhead 700 — General non-recurrent

New Item — "Intangible cultural heritage initiatives"

Continuation of the discussion on FCR(2018-19)64

2. The Finance Committee ("FC") continued with the discussion on item FCR(2018-19)64.

3. The Chairman advised that the item sought the approval of the FC of the following proposals:

- (a) to increase the approved commitment under Subhead 677 "Acquiring and commissioning artworks by local artists" Item 827 "Acquiring and commissioning artworks by local artists" of Head 95—Leisure and Cultural Services Department ("LCSD") from \$50 million to \$550 million and rename both the subhead and item as "Acquiring museum collections and commissioning art and cultural projects"; and
- (b) to create a new commitment of \$300 million under Subhead 700 "General non-recurrent" of Head 95—LCSD for the safeguarding, promotion and transmission of intangible cultural heritage ("ICH") in respect of the New Item "Intangible cultural heritage initiatives".

4. The Home Affairs Bureau consulted the Panel on Home Affairs on the relevant proposals on 28 May 2018. The Panel had spent about

51 minutes on the deliberation of the proposals. FC had also spent 53 minutes on the discussion of the aforesaid proposals at its last meeting.

Acquiring museum collections and commissioning art and cultural projects

Proposed increase in approved commitment

5. Dr Fernando CHEUNG enquired about the justification for the Administration's proposal to substantially increase the approved commitment under Subhead 677 Item 827 (relating to the acquisition of museum collections and commissioning of art and cultural projects) from \$50 million to \$550 million. Mr CHU Hoi-dick sought details about the proposed commitment. Dr KWOK Ka-ki said that the Administration should seek funding approval in phases.

6. Under Secretary for Home Affairs ("USHA") and Assistant Director of Leisure and Cultural Services ("AD/LCSD") advised that of the approved commitment of \$50 million, there was currently a balance of \$15 million that was left unused. The sum would still be spent in full towards acquiring and commissioning artworks by local artists. In addition to the aforesaid uses, the proposed increase in commitment would also be spent towards acquiring artworks from around the world and commissioning artworks by overseas artists, in order to raise the art and cultural standard of the Hong Kong community. Meanwhile, the Administration also intended to expand the collection scope of museums from artworks to artefacts, including those in the areas of history, film and science. According to the Administration's observation, there was a great demand for arts activities among local people. In 2017, the overall museum attendance was as high as 6.9 million. In 2018, the Administration had organized 27 000 arts activities, with a total attendance of 1.49 million. The annual budget for acquiring museum collections and commissioning art and cultural projects would be around \$40 million to \$50 million. Pitched against the proposed commitment of \$550 million, the additional funding would be sufficient to cover the relevant expenses for 10 to 15 years. By seeking approval for the funding of \$500 million in one go, the Administration would be able to formulate a set of comprehensive museum collection policies.

Strategies for acquiring museum collections

7. Ms Tanya CHAN sought information about the policies for acquiring museum collections, as well as the percentage share of collection items by their place of origin.

8. Mr Gary FAN considered that the authorities should set a specific ratio for acquiring artworks by local artists for the sake of promoting local arts and culture. Mr Kenneth LEUNG and Mr Tony TSE also expressed similar views. Mr MA Fung-kwok said that he was a former member of the West Kowloon Cultural District ("WKCD") Authority Board. He was in favour of giving priority to acquiring artworks by local artists. He called on the Government to set a ratio for acquiring and commissioning works by local artists and acquire artworks from local artists direct to obviate the need for payment of intermediaries' fees, while enhancing the transparency of the policy on acquiring museum collections.

9. Mr SHIU Ka-chun asked whether the authorities would, on account of the political stance, avoid acquiring certain artworks related to political incidents in Hong Kong. Dr KWOK Ka-ki opined that the acquisition of museum collections should be free from political interference.

10. USHA advised that the Government did not have any pre-set percentage share of collection items in terms of their place of origin. Regarding the percentage share of collection items as classified by their nature, artworks accounted for about 70%, artefacts about 15% and 10% were exhibits related to nature and science. After obtaining FC's approval in 2013 for the provision of \$50 million, the Leisure and Cultural Services Department ("LCSD") had so far acquired more than 1 700 items of local artworks. USHA said that as far as the policy on acquiring museum collection was concerned, the primary considerations were the artistic value of the works and whether they could help promote the development of arts and culture in Hong Kong, and no political consideration was involved. AD/LCSD supplemented that based on experience, it was envisaged that about 70% of the \$500 million new funding would be used towards acquiring museum collections and commissioning projects relating to arts.

11. Mr Jimmy NG said that although the authorities had pointed out in the discussion paper FCR(2018-19)64 that there would not be any financial limit for each item or project in order to maintain the necessary flexibility for acquiring museum collections and commissioning projects, USHA had advised that around \$40 million to \$50 million would be used towards acquiring museum collections per annum, which was tantamount to setting a financial ceiling. Meanwhile, Mr CHU Hoi-dick queried the authorities' arrangement of not setting a financial ceiling for each item or project.

12. USHA advised that as the major consideration of acquiring museum collections was their artistic value, it would be difficult to pre-set any financial limit. He stressed that the authorities would strictly adhere to the principle of prudence in acquiring museum collections.

13. Mr Kenneth LEUNG was concerned whether the museum acquisition strategy and process followed a top-down approach. If that was the case, it would give the impression of "outsiders leading insiders". Furthermore, he was concerned about the themes of museum collections lacking in novelty or continuity if the same independent committee was always responsible for acquiring museum collections. USHA advised that the museum staff concerned would draw up lists of proposed acquisitions on the basis of their professional expertise as well as the identity of the museums before submitting the same to the Museum Expert Advisers ("the Advisers") for consideration.

14. At the requests of Mr Kenneth LEUNG and Mr CHU Hoi-dick, the Administration would provide information after the meeting on the following: records of acquisitions previously made by the museums and Hong Kong Film Archive under LCSD through public auctions; collection policies of various museums; and the procedures as well as responsible parties for acquiring museum collections starting from consultation to decision-making and actual procurement.

[*Post-meeting note:* The supplementary information provided by the Administration was issued to members vide LC Paper No. FC132/18-19(01) on 6 March 2019.]

15. Mr Tony TSE opined that there should be coordination among the Museum of Visual Culture of WKCD and museums under LCSD to ensure that competition would not arise in acquiring museum collections as it might drive up the prices of collectibles. Mr LAU Kwok-fan considered that the Museum of Visual Culture of WKCD and other museums should complement each other in terms of their functions and collections. AD/LCSD advised that LCSD would maintain regular communication with the Museum of Visual Culture of WKCD regarding the acquisition strategies to ensure coordination as far as possible.

Museum Expert Advisers

16. Ms Tanya CHAN enquired how the authorities could prevent potential conflicts of interests on the part of those Advisers who might be collectors themselves.

17. USHA advised that having regard to the advice given by the Independent Commission Against Corruption, LCSD had already devised a set of procedures and assessment criteria for the acquisition of museum collections, and the relevant criteria had been publicized on the websites of

the museums concerned. At present, there were 180 Advisers with different backgrounds, including art workers, art commentators, academics, community persons, etc., and only a few of them were collectors. There was a stringent and detailed mechanism in force for the declaration of interests which the Advisers must follow.

18. At the request of Dr KWOK Ka-ki, the Administration would provide a list of Advisers after the meeting.

[*Post-meeting note:* The supplementary information provided by the Administration was issued to members vide LC Paper No. FC132/18-19(01) on 6 March 2019.]

Measures to safeguard intangible cultural heritage

19. Dr Fernando CHEUNG stated that the Administration should attach importance to the transmission of craftsmanship and establish different types of ICH representative lists as well as a policy to safeguard ICH by making reference to the Mainland's practice.

20. Mr AU Nok-hin enquired about the vetting and approval criteria of the proposed funding scheme for ICH projects ("the funding scheme"). Mr Kenneth LAU asked how the authorities would conduct publicity of the funding scheme targeting rural committees, District Councils as well as community organizations, and what the implementation timetable was.

21. USHA advised that the authorities had all along attached great importance to the safeguarding of ICH and strived to raise the Hong Kong community's awareness of ICH while ensuring the transmission of ICH craftsmanship (such as techniques for making the Guqin, a classical Chinese musical instrument, and paper crafting technique). In this connection, the authorities now proposed to create a new commitment of \$300 million under Subhead 700 for promoting the transmission of ICH.

22. AD/LCSD advised that projects applying for support under the funding scheme would be assessed according to various criteria including their importance, representativeness and effectiveness in promoting ICH. While initial assessment would be conducted by LCSD staff, the applications would be further assessed by an assessment panel comprising five members of the Intangible Cultural Heritage Advisory Committee. The authorities would draw up detailed guidelines on the assessment of applications to ensure the fairness and impartiality of the process.

23. AD/LCSD pointed out that subject to funding approval, the authorities would announce the details of first-round applications under the funding scheme in the relevant websites in early 2019 and work closely with various stakeholders (including ICH bearer organizations and researchers of academic institutions) so that they could apply for funds through the funding scheme. The authorities would also review the staffing establishment of the Intangible Cultural Heritage Office, having regard to the number of applications received.

24. Mr Jimmy NG asked whether the authorities would formulate specific allocation ratios for the \$300 million under the new commitment according to the Representative List of ICH of Hong Kong (comprising 20 items) published by LCSD in 2017. AD/LCSD advised that while it was the authorities' hope that part of the funds under the new commitment of \$300 million would be used towards in-depth study on more ICH items on the Representative List, no estimated expenditure would be set for the various items on the Representative List for the time being.

25. As many ICH items were related to the food culture, Mr AU Nok-hin called on the authorities to prudently handle cases involving the acceptance of entertainment by assessment panel members of the funding scheme to avoid the misuse of subsidies for entertainment purpose. At the request of Mr AU Nok-hin, the Administration would provide information on how to avoid such situations, including (a) how the relevant assessment guidelines would define/assess whether a particular project was "promoting" ICH and not of an "entertainment" nature; and what the definition of "entertainment" was; and (b) whether the funding scheme would specify a ratio for different categories of funding recipients.

[Post-meeting note: The supplementary information provided by the Administration was issued to members vide LC Paper No. FC132/18-19(01) on 6 March 2019.]

Motions proposed by members under paragraph 37A of the Finance Committee Procedure

26. At 4:25 pm, FC started to vote on whether the motions proposed by members under paragraph 37A of the Finance Committee Procedure ("FCP 37A motions") should be proceeded with forthwith. After the Chairman had announced that FC decided against proceeding with the first FCP 37A motion proposed by Mr CHAN Chi-chuen, Mr CHAN Hak-kan moved without notice a motion under paragraph 47 of FCP that in the event of further divisions being claimed in respect of any motions or questions under the same agenda item, FC should proceed to each of such divisions

immediately after the division bell had been rung for one minute. The Chairman declared that the majority of the members present and voting were in favour of the motion and the motion was carried.

27. FC continued to vote on whether the remaining FCP 37A motion proposed by a member should be proceeded with forthwith. At the request of members, the Chairman ordered a division for each of the proposed FCP 37A motions. The voting results were as follows:

Member proposing the motion	Serial numbers of motion	Motion be proceeded with forthwith
Mr CHAN Chi-chuen	001	No
Mr Gary FAN	002	No

Voting on FCR(2018-19)64

28. At 4:29 pm, the Chairman put the two proposals to: (a) increase the approved commitment under Subhead 677 Item 827 of Head 95 from \$50 million to \$550 million and rename both the subhead and item as "Acquiring museum collections and commissioning art and cultural projects"; and (b) create a new commitment of \$300 million for the safeguarding, promotion and transmission of ICH under item FCR(2018-19)64 to vote separately. At the request of members, the Chairman ordered a division for each of the proposals.

(a) *To increase the approved commitment under Subhead 677 Item 827 of Head 95 from \$50 million to \$550 million and rename both the subhead and item as "Acquiring museum collections and commissioning art and cultural projects"*

29. The Chairman declared that 36 members voted in favour of and 6 members voted against the item, and 1 member abstained from voting. The votes of individual members were as follows:

For:

Mr Tommy CHEUNG Yu-yan	Mr Jeffrey LAM Kin-fung
Mr WONG Ting-kwong	Mr CHAN Hak-kan
Dr Priscilla LEUNG Mei-fun	Mr Steven HO Chun-yin
Mr YIU Si-wing	Mr MA Fung-kwok
Mr Charles Peter MOK	Mr CHAN Han-pan
Mr LEUNG Che-cheung	Mr Kenneth LEUNG
Ms Alice MAK Mei-kuen	Mr Christopher CHEUNG Wah-fung
Dr Elizabeth QUAT	Mr POON Siu-ping

Ir Dr LO Wai-kwok	Mr Alvin YEUNG
Mr Andrew WAN Siu-kin	Mr Jimmy NG Wing-ka
Mr HO Kai-ming	Mr SHIU Ka-chun
Mr Wilson OR Chong-shing	Ms YUNG Hoi-yan
Dr Pierre CHAN	Mr CHAN Chun-ying
Mr CHEUNG Kwok-kwan	Mr HUI Chi-fung
Mr LUK Chung-hung	Mr LAU Kwok-fan
Mr KWONG Chun-yu	Mr Jeremy TAM Man-ho
Mr Gary FAN Kwok-wai	Mr Vincent CHENG Wing-shun
Mr Tony TSE Wai-chuen	Ms CHAN Hoi-yan

(36 members)

Against:

Mr LEUNG Yiu-chung	Ms Claudia MO
Mr CHAN Chi-chuen	Mr CHU Hoi-dick
Dr CHENG Chung-tai	Mr AU Nok-hin

(6 members)

Abstained:

Dr Fernando CHEUNG Chiu-hung
(1 member)

30. The Chairman declared that the said proposal under the item was approved.

(b) *To create a new commitment of \$300 million for the safeguarding, promotion and transmission of intangible cultural heritage*

31. The Chairman declared that 35 members voted in favour of and 1 member voted against the item, and 8 members abstained from voting. The votes of individual members were as follows:

For:

Mr Tommy CHEUNG Yu-yan	Mr Jeffrey LAM Kin-fung
Mr WONG Ting-kwong	Mr CHAN Hak-kan
Dr Priscilla LEUNG Mei-fun	Mr Steven HO Chun-yin
Mr YIU Si-wing	Mr MA Fung-kwok
Mr Charles Peter MOK	Mr CHAN Han-pan
Mr LEUNG Che-cheung	Mr Kenneth LEUNG
Ms Alice MAK Mei-kuen	Mr Christopher CHEUNG Wah-fung
Dr Fernando CHEUNG Chiu-hung	Mr IP Kin-yuen
Dr Elizabeth QUAT	Mr POON Siu-ping
Ir Dr LO Wai-kwok	Mr Alvin YEUNG
Mr Jimmy NG Wing-ka	Mr HO Kai-ming

Mr SHIU Ka-chun	Mr Wilson OR Chong-shing
Ms YUNG Hoi-yan	Dr Pierre CHAN
Mr CHAN Chun-ying	Mr CHEUNG Kwok-kwan
Mr LUK Chung-hung	Mr LAU Kwok-fan
Mr Jeremy TAM Man-ho	Mr Gary FAN Kwok-wai
Mr Vincent CHENG Wing-shun	Mr Tony TSE Wai-chuen
Ms CHAN Hoi-yan	
(35 members)	

Against:

Dr CHENG Chung-tai
(1 member)

Abstained:

Mr LEUNG Yiu-chung	Ms Claudia MO
Mr CHAN Chi-chuen	Mr Andrew WAN Siu-kin
Mr CHU Hoi-dick	Mr HUI Chi-fung
Mr KWONG Chun-yu	Mr AU Nok-hin
(8 members)	

32. The Chairman declared that the said proposal under the item was approved.

Item 2 — FCR(2018-19)65

**RECOMMENDATION OF THE PUBLIC WORKS
SUBCOMMITTEE MADE ON 7 NOVEMBER 2018**

PWSC(2018-19)31

**HEAD 708 — CAPITAL SUBVENTIONS AND MAJOR SYSTEMS
AND EQUIPMENT**

Education Subventions

**96EB — Construction of an assembly hall at Munsang College at
8 Dumbarton Road, Kowloon City**

33. The Chairman advised that the item sought FC's approval of the recommendation made by the Public Works Subcommittee at its meeting held on 7 November 2018 vide PWSC(2018-19)31 regarding the upgrading of 96EB "Construction of an assembly hall at Munsang College at 8 Dumbarton Road, Kowloon City" to Category A at an estimated cost of \$81.4 million in money-of-the-day prices as the capital grant from the Government for construction of an assembly hall at Munsang College at 8 Dumbarton Road, Kowloon City. No member had requested that the recommendation be put to vote separately at the FC meeting.

34. The Chairman declared that he was an independent non-executive director of The Bank of East Asia.

Voting on FCR(2018-19)65

35. At 4:33 pm, the Chairman put item FCR(2018-19)65 to vote. The Chairman declared that the majority of the members present and voting were in favour of the item and the item was approved.

**Item 3 — FCR(2018-19)66
2018-19 JUDICIAL SERVICE PAY ADJUSTMENT**

36. The Chairman advised that the item sought FC's approval of an increase in pay by 4.69% for judges and judicial officers ("JJOs") with effect from 1 April 2018. The Administration Wing consulted the Panel on Administration of Justice and Legal Services on the proposal on 29 October 2018.

37. Dr Priscilla LEUNG, Chairman of the Panel on Administration of Justice and Legal Services, reported on the outcome of the Panel's discussions on the financial proposal. She said that the Administration's proposal was supported by the Panel. Some members expressed concern about certain employment terms and retirement benefits of JJOs as they considered that such factors were pivotal to attracting and retaining talents. Some members also noted that quite a number of vacancies of JJOs had yet to be filled. In this regard, they called on the Judiciary to expedite the recruitment exercises for the relevant posts.

Judicial workload and factors of pay adjustment

38. Mr Gary FAN expressed support for the proposed 2018-2019 judicial service pay adjustment. Mr AU Nok-hin said that judicial workload was one of the factors to be considered when assessing the rate of judicial pay adjustment. Mr CHU Hoi-dick, Mr LEUNG Yiu-chung and Mr KWONG Chun-yu were all concerned about the workload of the Judiciary. They noted that for different levels of courts, the time required for listing of cases (including judicial review ("JR") cases) and delivery of judgments (including those handed down by the Family Court) could be as long as several years. They were worried that such a workload might adversely affect the quality of judicial services. Mr KWONG was particularly concerned about the increasing caseload trend of the Small Claims Tribunal ("SCT").

39. Director of Administration ("D of Adm") advised that the current judicial service pay mechanism was established in 2008. In arriving at the recommendation for judicial service pay adjustment, the Standing Committee on Judicial Salaries and Conditions of Service ("the Judicial Committee") would take into account the basket of factors approved by the Chief Executive ("CE") in Council in May 2008, the principle of judicial independence and the position of the Judiciary. As revealed by the findings of the 2015 Benchmark Study on the Earnings of Legal Practitioners in Hong Kong conducted by the Judicial Committee, remuneration was not the most important factor for legal practitioners when considering whether to join the Judiciary.

40. D of Adm pointed out that while the caseload of different levels of courts had been stable in 2017, hearings might be lengthened for complicated cases. For JR cases, between 2015 and 2017, the average waiting time from listing to hearings was 94 days to 97 days. Regarding the delivery of judgments, the Judiciary agreed that it was necessary to deliver judgments within a reasonable time, and it would step up monitoring on the time taken to deliver judgments. According to the guidelines issued by the Chief Judge of the High Court in 2016, if judges of various levels of courts did not envisage that judgments could be delivered within a short time, they should provide both parties of the litigation with an estimated date for handing down the judgment. According to the 2017 Controller Officer's Report of the Judiciary Administration, while the target of listing SCT cases was 60 days, the actual time taken was only 32 days. Notwithstanding the increasing caseload of SCT, it would not have a significant impact on the workload of JJOs as cases heard by SCT did not require legal representation and were of a relatively simple nature, not to mention the fact that there was no need to hand down judgment for those cases.

41. Mr AU Nok-hin requested the authorities to provide the following information regarding the workload of judges at all levels of courts:

- (a) the average number of cases assigned to each judge;
- (b) the actual number of cases assigned to each judge;
- (c) the actual number of cases assigned to each judge in relation to each list of cases he/she was responsible for; and
- (d) the rationales and criteria of the assignments.

[*Post-meeting note:* The supplementary information provided by the Administration was issued to members vide LC Paper No. FC107/18-19(01) on 31 January 2019.]

42. Mr KWONG Chun-yu asked why the caseload of the Obscene Articles Tribunal ("OAT") had dropped significantly from 4 278 in 2015 to only 174 in 2017.

43. D of Adm advised that the drop in OAT's caseload might be related to the decreasing number of articles/publications submitted for classification. The targets for OAT to handle various processes ranged from 21 days to 35 days. At present, all targets were met.

Wastage of judges and judicial officers

44. Mr AU Nok-hin enquired about the wastage situation of JJOs at the High Court level or above over the past three years and the reasons for such wastage. He also asked if the Judiciary was now facing a wave of retirement among JJOs.

45. D of Adm advised that according to information provided by the Judiciary, in 2015-2016, the wastage of JJOs due to natural wastage (i.e. retirement) was five while that due to non-natural wastage was two (accounting for 4.1% of serving JJOs in that year); in 2016-2017, the wastage of JJOs due to natural wastage was five while that due to non-natural wastage was one (accounting for 3.7% of serving JJOs in that year); in 2017-2018, the wastage of JJOs due to natural wastage was three while that due to non-natural wastage was two (accounting for 3.2% of serving JJOs in that year). Clearly, retirement was still the primary reason of wastage of JJOs, while non-natural wastage (including resignation) only accounted for a small portion.

46. D of Adm added that it was expected that six JJOs would retire in 2018-2019, while 12 JJOs would retire in 2019-2020 and 2020-2021 respectively. The Judicial Committee was concerned about the situation. In this connection, the authorities had plans to extend the statutory retirement ages for JJOs. It was anticipated that the relevant bill would be presented to the Legislative Council in the first quarter of 2019.

47. Dr Priscilla LEUNG stated that apart from retaining JJOs through extending their retirement ages, the authorities should examine ways to proactively attract new blood to join the Judiciary. D of Adm noted Dr LEUNG's views and would relay the same to the Judiciary Administrator.

Independence of the Judiciary

48. Mr Gary FAN asked how the Administration could safeguard the independence of the Judiciary. Mr AU Nok-hin also expressed similar concerns. Ms Claudia MO expressed concern that in recent years, there were repeated queries about judges making judgments under the influence of political factors. She asked whether the authorities had promulgated any codes of practice for the work of judges.

49. D of Adm advised that the independent Judicial Officers Recommendation Commission ("JORC") was responsible for the recruitment of judges. If suitable candidates were identified on the basis of their professional qualities, JORC would make recommendations on judicial appointments to CE, while ensuring the independence of the judicial system. The Government's role was to provide necessary resources to the Judiciary as far as possible, so as to meet its operational needs. D of Adm pointed out that the Guide to Judicial Conduct had been formulated by the Judiciary. The Judiciary would also monitor the performance of JJOs according to the established mechanism.

50. At the request of Mr AU Nok-hin, the Administration would provide, after the meeting, statistics on the complaints against JJOs at all levels of courts (with a breakdown by categories of cases) and the outcomes of the complaints in the past five years.

[Post-meeting note: The supplementary information provided by the Administration was issued to members vide LC Paper No. FC107/18-19(01) on 31 January 2019.]

51. The meeting was suspended at 4:59 pm and resumed at 5:09 pm.

52. Before the vote was taken, Mr Tony TSE declared that he was a member of the Standing Commission on Civil Service Salaries and Conditions of Service.

Voting on FCR(2018-19)66

53. At 5:34 pm, the Chairman put item FCR(2018-19)66 to vote. At the request of members, the Chairman ordered a division and the voting bell was rung for five minutes. The Chairman declared that 31 members voted in favour of and no member voted against the item, and 2 members abstained from voting. The votes of individual members were as follows:

For:

Dr Priscilla LEUNG Mei-fun	Ms Claudia MO
Mr Steven HO Chun-yin	Mr Frankie YICK Chi-ming
Mr MA Fung-kwok	Mr CHAN Han-pan
Mr LEUNG Che-cheung	Mr Christopher CHEUNG Wah-fung
Dr Fernando CHEUNG Chiu-hung	Dr Helena WONG Pik-wan
Mr IP Kin-yuen	Dr Elizabeth QUAT
Mr POON Siu-ping	Ir Dr LO Wai-kwok
Mr CHUNG Kwok-pan	Mr Andrew WAN Siu-kin
Mr HO Kai-ming	Mr Holden CHOW Ho-ding
Mr SHIU Ka-fai	Mr Wilson OR Chong-shing
Ms YUNG Hoi-yan	Mr CHAN Chun-ying
Mr LAU Kwok-fan	Dr CHENG Chung-tai
Mr KWONG Chun-yu	Mr Jeremy TAM Man-ho
Mr Gary FAN Kwok-wai	Mr AU Nok-hin
Mr Vincent CHENG Wing-shun	Mr Tony TSE Wai-chuen
Ms CHAN Hoi-yan	
(31 members)	

Abstained:

Mr LEUNG Yiu-chung	Mr CHU Hoi-dick
(2 members)	

54. The Chairman declared that the item was approved.

Item 4 — FCR(2018-19)67

HEAD 170 — SOCIAL WELFARE DEPARTMENT

Subhead 179 — Comprehensive social security assistance scheme

Subhead 180 — Social security allowance scheme

55. The Chairman advised that the item invited FC to approve a 2.8% increase in standard payment rates under the Comprehensive Social Security Assistance ("CSSA") Scheme and the rates of allowances under the Social Security Allowance ("SSA") Scheme with effect from 1 February 2019 and note the financial implications of an extra \$1,253 million each year arising therefrom; and to approve under Head 170—Social Welfare Department Subhead 179 "Comprehensive Social Security Assistance Scheme" and Subhead 180 "Social Security Allowance Scheme" supplementary provision of \$409 million and \$2,154 million respectively. The Labour and Welfare Bureau ("LWB") consulted the Panel on Welfare Services on the relevant proposals on 12 November 2018.

56. Mr KWONG Chun-yu, Chairman of the Panel on Welfare Services, reported on the outcome of the Panel's discussions on the financial proposal. He said that while supporting the proposal in principle, the Panel passed two motions calling on the Government to immediately conduct a comprehensive review of the CSSA system including, among others, redefining the basic needs in a scientific way; immediately shelving the arrangement of raising the eligible age for elderly CSSA from 60 to 65; allowing the elderly and persons with disabilities to apply for CSSA on an individual basis; relaxing the disregarded earnings arrangements; substantially increasing the level of rent allowance under the CSSA Scheme; immediately including more items under the special grants for able-bodied adult CSSA recipients, so as to enable them to cover necessities such as relocation, dental care, purchase of spectacles and use of Internet service; resuming the provision of the long-term supplement to them, etc.

Adjustment of the standard payment rates under the Comprehensive Social Security Assistance Scheme and rates of allowances under the Social Security Allowance Scheme

57. Mr Holden CHOW was concerned that the percentage share of the estimated expenditure on the Old Age Living Allowance ("OALA") under the SSA Scheme in the estimated total recurrent Government expenditure for 2018-2019 (i.e. 5.9%) was several times higher than those of the Old Age Allowance ("OAA") and Disability Allowance ("DA") (respectively at 1.1% and 1.0%). He invited the authorities to consider increasing the percentage shares of OAA and DA in the estimated total recurrent Government expenditure.

58. Under Secretary for Labour and Welfare ("USLW") advised that the authorities did not have any pre-set percentage shares of various allowances under the SSA Scheme in the estimated total recurrent Government expenditure. Given the ageing population in Hong Kong, it was envisaged that the number of OALA recipients would be on a rising trend. Deputy Director of Social Welfare supplemented that as DA was granted only after an assessment by a doctor, it was difficult to predict the percentage share of the estimated expenditure on DA in the estimated total recurrent Government expenditure. Responding to Mr LEUNG Che-cheung's enquiry, USLW said that as an initial estimate, the introduction of the Higher OALA and the relaxation of asset limits for the normal OAA would involve a total expenditure of about \$76 billion in the first 10 years.

59. At the request of Mr Holden CHOW, the Administration would provide information after the meeting explaining whether the percentages of estimated expenditure on OAA, OALA and DA in the total recurrent Government expenditure in the past five financial years were on par with the relevant percentages in the 2018-2019 financial year.

[*Post-meeting note:* The supplementary information provided by the Administration was issued to members vide LC Paper No. FC142/18-19(01) on 28 March 2019.]

60. Mr KWONG Chun-yu stated that with the proposed increase of 2.8%, the actual monthly rates of Higher OALA and OAA would only increase by \$100 and \$40 respectively, which were too low. Ms Claudia MO also expressed similar concerns. USLW advised that standard CSSA payment rates would be adjusted according to the changes in the Social Security Assistance Index of Prices ("SSAIP"). In the past 12 months, SSAIP had increased by 2.8% which was higher than the 2.3% increase of the Consumer Price Index (A) (excluding housing expenditure) for the same period.

61. Ms Claudia MO asked whether the Government could increase the standard payment rates under the CSSA Scheme and the rates of various allowances under the SSA Scheme by 3% on a discretionary basis, given that SSAIP had increased by 2.8%. USLW advised that the adjustment of CSSA rates was made according to the existing mechanism.

62. Mr LEUNG Che-cheung said that while he supported the present funding proposal, he did not support the Government's move to raise the eligible age for elderly CSSA from 60 to 65 because a statutory retirement age had yet to be provided in Hong Kong. Moreover, he considered that the increase in rent allowance under the CSSA Scheme could not help alleviate the rental pressure faced by private housing tenants (especially those living in subdivided units and squatters). Dr Fernando CHEUNG also expressed similar views. Mr Michael TIEN said that rent control should be imposed by the authorities; or else the rent allowance under the CSSA Scheme would only serve to benefit property owners. He also held that the authorities should adjust the basket of goods and services covered by SSAIP, so as to reflect the latest situation in society.

63. USLW advised that the rent allowance was adjusted on an annual basis, with reference to the movement of CPI(A) rent index for housing. In 2017, the Community Care Fund relaunched the assistance programme to provide subsidy for CSSA recipients living in rented private housing. The programme which lasted for two years was intended to relieve the

rental pressure faced by the tenants concerned. The authorities would continue to keep in view the effectiveness of the assistance programme.

64. Senior Statistician, Social Welfare Department advised that at present, SSAIP covered 800-odd items of goods and services. In the past 12 months, SSAIP had increased by 2.8% primarily because of the relatively high increases in items such as food, electricity, gas and water charges.

65. At the request of Mr Michael TIEN, the Administration would provide the following information after the meeting:

- (a) a list of the basket of goods and services covered by SSAIP, as well as the relevant weighting system (i.e. the relative importance of individual categories of goods and services);
- (b) additions and deletions or adjustments made to the said list of the basket of goods and services in the past 20 years; and
- (c) how the authorities calculated the weighted average increase in prices of the said basket of goods and services over the past year, and an explanation on whether and how the relevant statistics could support the authorities' proposal to increase the standard payment rates under the CSSA Scheme and the rates of various allowances under the SSA Scheme by 2.8%.

[*Post-meeting note:* The supplementary information provided by the Administration was issued to members vide LC Paper No. FC142/18-19(01) on 28 March 2019.]

66. Mr CHAN Chi-chuen enquired about the reasons for the significant difference between the estimated and actual expenditures for the CSSA Scheme and SSA Scheme in 2018-2019, such that supplementary provisions were required to be sought. USLW advised that while the number of CSSA cases had shown a continuous decreasing trend, the decline had been narrowing over the years and fell short of the authorities' initial estimation. On the other hand, the number of OALA cases had increased beyond the authorities' expectation. Hence, it was necessary for the authorities to apply for supplementary provisions for the CSSA Scheme and SSA Scheme.

Poverty line

67. Mr Tony TSE asked whether elderly poverty in Hong Kong was worsening and whether the authorities had estimated the percentage share of expenditure on OALA in the total recurrent Government expenditure in the coming 10 years. Dr Fernando CHEUNG observed that the number of CSSA households living under the poverty line, including elderly persons and persons with disabilities, had increased by 2.5% in 2017 with the poverty rate hitting 45.7%. He enquired about the reasons for that. Mr SHIU Ka-chun asked whether the authorities would consider abolishing the poverty line as the setting of the same had seemingly failed to lift the poor out of poverty.

68. USLW advised that according to the Hong Kong Poverty Situation Report 2017 ("the 2017 Report"), after recurrent cash intervention, around 340 000 elders were living under the poverty line (with those living in CSSA and non-CSSA households accounting for 13.4% and 86.6% respectively). Among those poor elders in non-CSSA households, 80% claimed that they had no financial needs, while about 28 000 poor elders claimed that they had financial needs. Of such poor elders, 43% resided in owner-occupied mortgage-free housing.

69. USLW further advised that the poverty line in Hong Kong adopted the concept of "relative poverty", and only household income was counted while assets were not. In other words, "asset-rich, income-poor" retirees might also be defined as poor elders, and the overall poor population (particularly the poor elderly population) could have been overstated as a result. Separately, as most elders were retirees without any income, they might be statistically categorized as poor persons even though they might hold some assets and properties. Moreover, as the concept of "relative poverty" was adopted, and the poverty line was set at 50% of the median monthly household income, there would inevitably be certain CSSA households defined as poor households. USLW pointed out that when dealing with the issue of poverty, the Administration must consider different policies as a whole, including those relating to public housing and encouraging employment. In this regard, the poverty line also served as an important indicator.

70. At the request of Mr CHU Hoi-dick, the Administration would provide the following information after the meeting:

- (a) regarding the number of persons lifted out of poverty as published in the 2017 Report due to various enhancement measures to the CSSA Scheme, what statistical data had been

used to evaluate the overall effectiveness of the relevant measures; and

- (b) regarding the 45.7% poverty rate of CSSA households for the year as set out in the 2017 Report, a breakdown of the relevant statistics and detailed analysis, as well as the specific measures taken by the authorities to reduce the poverty rate of CSSA households.

[Post-meeting note: The supplementary information provided by the Administration was issued to members vide LC Paper No. FC142/18-19(01) on 28 March 2019.]

Review of the Comprehensive Social Security Assistance system

71. Mr AU Nok-hin asked whether the Administration would conduct a comprehensive review of the CSSA system. Mr SHIU Ka-chun pointed out that the authorities had not conducted any basic needs study for determining the basic payment rates under the CSSA Scheme since 1999. In addition, he called on the Government to change the existing policy requiring CSSA applicants to submit applications on a household basis, so that they could apply for CSSA on an individual basis.

72. USLW advised that the authorities did not have any plan to conduct a comprehensive review of the CSSA system at this stage. That said, the authorities would review the arrangements for various components of the CSSA Scheme from time to time. From 2012 to 2018, the payment rates under the CSSA Scheme had already increased by more than 33%. The authorities did not intend to change the existing policy at the moment to allow CSSA applicants to submit applications on an individual basis.

Other matters

73. Mr AU Nok-hin requested LWB to relay his view to the Environment Bureau that the Administration's plan to increase the CSSA standard rates by \$10 per person per month for all CSSA recipients upon the implementation of Municipal Solid Waste ("MSW") charging could hardly help meet the additional financial burden borne by CSSA recipients as a result of MSW charging. The Administration undertook that it would relay the aforesaid view to the Environment Bureau.

[Post-meeting note: The supplementary information provided by the Administration was issued to members vide LC Paper No. FC142/18-19(01) on 28 March 2019.]

Voting on FCR(2018-19)67

74. At 6:59 pm, the Chairman put item FCR(2018-19)67 to vote. The Chairman was of the view that the majority of the members present and voting were in favour of the item, and he declared that the item was approved.

75. The meeting ended at 7:00 pm.

Legislative Council Secretariat

24 July 2019